Instalment of dearness allowance

2710. SHRI RAJU PARMAR:
SHRI BHAGATRAM MANHAR:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that instalment of dearness allowance to Central Government employees and pensions have been released with effect from July 1st, 2002;

(b) if so, the reasons for delay in announcing the DA; and

(c) whether Government are considering merging the DA/relief of Central Government employees/pensioners in their salaries/pension and if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) The matter of payment of Dearness Allowance was also one of the issues which remained under discussion in the meeting of the State Finance Minister's Conference and the Conference by the Prime Minister with the Chief Ministers.

(c) Before taking a final decision on the Fifth Central Pay Commission recommendation relating to merging of DA with basic pay it has been decided to hold formal discussions with the Staff Side under the Scheme of Joint Consultative Machinery.

OTS Scheme for marginal farmers

2711. SHRI MOOLCHAND MEENA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the RBI has issued a circular to all public sector banks regarding initiation of special one-time settlement scheme for small and marginal farmers in order to meet the commitment made in the Finance Minister's Budget Speech;

(b) if so, to what extent this scheme will deal with indebtedness to farmers;

(c) to what extent these guidelines have been implemented; and

(d) to what extent interest on loans to farmers have been waived off so far?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) In pursuance to the announcement made in the Budget Speech, Reserve Bank of India (RBI) has issued a circular in March, 2002 advising public sector banks to formulate a policy for one time settlement scheme for small and marginal farmers for loans up to Rs. 50,000. The scheme covers all loan accounts with outstanding balance of up to Rs. 50,000/-principal amount (excluding interest element), which have become Non-Performing Assets as on March 31,1998. As per the guidelines, the amount that should be recovered as settlement amount would be the balance outstanding towards principal in the loan account as on March 31,1998. Any interest which is included in the outstanding amount as on March 31, 1998 or accrued thereafter would be waived. The scheme also covers suit-filed and decreed debts but does not cover cases of fraud, malfeasance and willful defaults and is operative upto March 31, 2003. Most banks have reported that they have adopted the scheme and have advised their branches for implementation of the same. However, as the scheme was announced towards the end of the financial year 2001-02, banks do not have any performance to reports as on 31st March, 2002.

Irregularities in grant of loans by Directors of IFCI

†2712. SHRIMATI SAROJ DUBEY:
SHRIMATI CHANDRA KALA PANDEY:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have received any report from All India Industrial Finance Corporation staff union wherein they have demanded for appropriate action against senior officials/directors of IFCI for irregularities in granting loans to the companies and violating the guidelines of Reserve Bank of India;

† Original notice of the question was received in Hindi.